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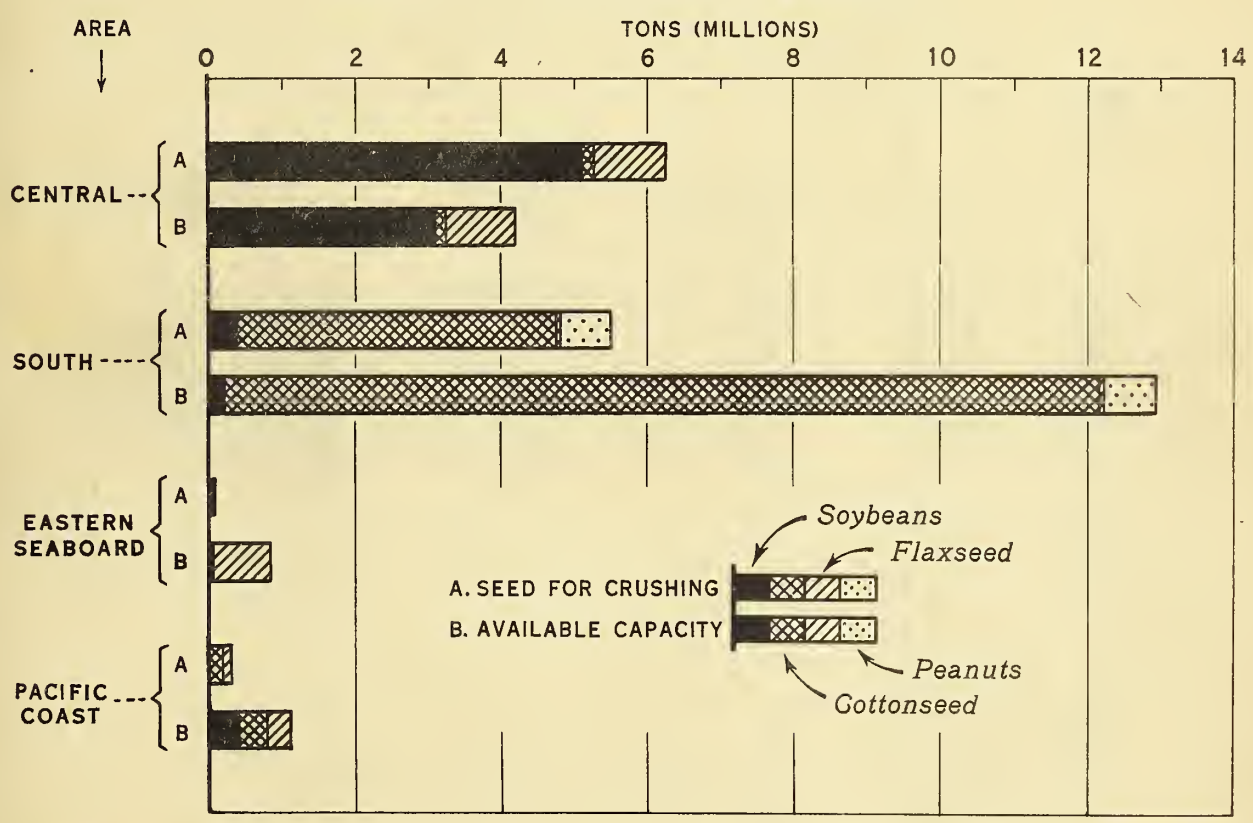
UNITED STATES DEPARTMENT OF AGRICULTURE

MTS-6



NOVEMBER 1942

OILSEEDS: COMPARISON OF SUPPLY WITH CRUSHING CAPACITY, SEASON 1942-43



U. S. DEPARTMENT OF AGRICULTURE

NEG. 42723 BUREAU OF AGRICULTURAL ECONOMICS

CRUSHING CAPACITY FOR OILSEEDS IS ADEQUATE FOR THE COUNTRY AS A WHOLE BUT DEFICIENT IN THE CENTRAL SOYBEAN AND LINSEED AREA. THIS WILL NECESSITATE CONSIDERABLE MOVEMENT OF SOYBEANS TO OTHER AREAS FOR CRUSHING OR FOR STOCK-PILING OF BEANS OR BOTH.

CAPACITIES SHOWN ARE ON BASIS OF PREVIOUS USE EXCEPT SOYBEAN CAPACITY WHICH INCLUDES COPRA CAPACITY. EXCESS PEANUT CAPACITY IS LUMPED WITH COTTONSEED CAPACITY. (FOR DATA SEE TABLE I.)

Table 1.- Estimated supplies available for crushing and crushing capacity, principal oilseeds, 1942-43

Area and State	Cottonseed		Flaxseed		Peanuts		Soybeans	
	Available	Crushing	Available	Crushing	Available	Crushing	Available	Crushing
	for crushing 1/	capacity 2/	for crushing 3/	Capacity 2/	for crushing 3/	capacity 2/ 4/	for crushing 3/	capacity 2/ 5/
	1,000 tons	1,000 tons 6/	1,000 tons	1,000 tons 6/	1,000 tons	1,000 tons 6/	1,000 tons	1,000 tons 6/
Central -								
Colo.	-	-	-	-	-	-	-	8
Ill.	-	50	3	74	-	-	1,977	1,607
Ind.	-	-	-	-	-	-	814	346
Iowa	-	-	81	-	-	-	1,065	378
Kane.	-	-	47	34	-	-	37	26
Mich.	-	-	2	-	-	-	86	36
Minn.	-	-	461	591	-	-	100	28
Mo.	162	82	1	1	-	-	220	81
Mont.	-	-	72	-	-	-	-	-
Nebr.	-	-	1	-	-	-	15	40
N.Y.(Western)	-	-	-	192	-	-	-	64
N. Dak.	-	-	241	-	-	-	-	-
Ohio	-	-	-	60	-	-	741	457
S. Dak.	-	-	96	-	-	-	5	-
Wis.	-	-	3	17	-	-	11	16
Total	162	132	1,008	969	-	-	5,072	3,087
Eastern Seaboard -								
Del.	-	-	-	-	-	-	25	-
Md.	-	-	-	34	-	-	15	38
N.J.	-	-	-	482	-	-	4	-
N.Y.(Eastern)	-	-	-	118	-	-	5	-
Pa.	-	-	-	129	-	-	12	7
Total	-	-	-	763	-	-	61	45
Southern -								
Ala.	329	671	-	-	121	121	7	-
Ariz.	74	241	10	-	-	-	-	-
Ark.	545	1,119	-	-	5	5	87	-
Fla.	6	2	-	-	20	20	-	-
Ga.	309	1,121	-	-	196	196	8	-
Ky.	-	-	-	-	-	-	16	115
La.	218	627	-	-	3	3	32	-
Miss.	714	1,516	-	-	1	1	65	-
N. Mex.	49	75	-	-	-	-	-	-
N. C.	250	827	-	-	38	38	92	-
Okla.	265	641	5	5	71	71	2	-
S.C.	261	792	-	-	12	12	6	-
Tenn.	220	732	-	-	-	-	7	48
Tex.	1,144	3,665	8	8	209	209	1	-
Va.	12	-	-	-	19	19	30	46
W. Va.	-	-	-	-	-	-	1/ -1	-
Total	4,396	12,029	23	13	695	695	352	209
West Coast -								
Calif.	166	383	98	201	-	-	-	331
Idaho	-	-	1	-	-	-	-	-
Oreg.	-	-	1	102	-	-	-	61
Wash.	-	-	1	-	-	-	-	-
Total	166	383	101	303	-	-	-	392
All other	8	-	-	-	-	-	-	-
United States	4,732	12,544	1,132	2,048	695	695	5,485	3,733

1/ Based on November 1, 1942 cotton crop report and estimates that 80 percent of seed will be crushed.

2/ Capacity figures adapted from "Vegetable Oil Mill Crushing Capacity" Edward G. Schiffman, Farm Credit Administration, W.C. No. 2 October 1942.

3/ November 1, 1942 Crop Report.

4/ Peanut capacity deducted from cottonseed capacity on assumption cottonseed mill can crush 65 percent as much peanut as cottonseed, any excess peanut capacity is lumped with cottonseed.

5/ Copra capacity is included with soybean capacity.

6/ Comparisons of capacity in tons are extremely rough, shifting of mills from one seed to another may give either greater or less capacity depending on adaptability of mills to seed crushed.

7/ Seed requirements in excess of production.

SUMMARY

Charges for marketing 58 important food products increased 1 percent from mid-September to mid-October. These higher marketing charges accompanied a sharp increase in retail cost of foods produced on American farms. Payments to farmers for food products contained in the family food basket were \$224 in October, up 3 percent from the preceding month. The farmer's share of the retail dollar held at 54 cents for the third consecutive month.

The impact of the war upon the marketing system is becoming more evident. Less essential winter vegetable crops may become subject to marketing and transportation difficulties. The Department of Agriculture has announced that it can not assist with the production or marketing of these commodities.

Although crushing capacity for oil seeds is adequate for the country as a whole, mills are not well located with respect to the present areas of supply of beans and seeds. While excess capacity exists on both coasts and in the South, capacity in the Midwest is not adequate to handle the large soybean crop there. In view of a soybean harvest which appears to be 9.2 million bushels greater than that estimated on October 1, the solution to the problem of crushing lies either in moving the beans to the mills or moving the mills to the source of production. There is a small but probably adequate excess storage capacity over the peak requirements for storage which are expected to come in April, May, and June 1943.

The Office of Price Administration has replaced the temporary ceiling prices with permanent ceilings on such important foods as potatoes, vegetables and turkeys. The squeeze on packers resulting from ceiling prices on wholesale products and high livestock prices has been greatly lessened by the recent drop in hog prices.

A potentially important development in the field of transportation is the inauguration of all-cargo express service on a continent-wide basis by one major air line. This service offers special possibilities for the movement of perishables of high value and of dehydrated foods.

Through error the September-October issue was numbered 4 instead of 5. In order to bring the numbers into line with the number of issues, the current issue is numbered 6.

A FATS AND OILS PROCESSING, STORAGE AND TRANSPORTATION FACILITIES IN 1942-43 AND 1943-44

Supplies in 1942-43

As of November 1, estimated total supplies of edible fats and oils are reduced slightly from those indicated on October 1. Cottonseed and peanut estimates have again been revised downward, but this decrease has been nearly offset by an increase of 9.2 million bushels in the estimated soybean harvest over that estimated in October 1. Although total supplies are not materially different than the October 1 estimate, the changed composition of the supply will complicate still further the processing problems involved. Decreases in cottonseed and peanuts have taken place in areas having ample crushing capacity, while the increases in soybeans have occurred in the North Central States where crushing capacity is inadequate to handling the crop.

The fact that hog marketings in October were not so large as might be expected from the crop estimate probably is due to feeding to heavier weights. This presumption is supported by the very favorable hog-corn ratio. If this is the case, supplies of lard or of lard and fat-backs combined may be considerably larger than was anticipated.

Processing facilities

For the country as a whole, crushing capacity for oil seeds is well in excess of the total amount of the materials to be crushed. Mills are not well located, however, with respect to the present areas of supply of beans and seeds. Idle crushing capacity is located on both coasts and in the South. Capacity in the mid-west, particularly in Iowa and Illinois, is not adequate to handle the available supply of soybeans.

The solution to the problem of soybean crushing lies either in moving the beans to the mills or moving the mills to the source of production. While technically feasible, the latter plan is practicable under wartime conditions only to the limited extent that additional mills can be installed in existing plants.

Movement of the beans and seeds to places with available crushing capacity cannot be considered apart from the question of movement and storage of the finished products. Movement to the Pacific Coast would have to be confined to the amount of oil and meal that can be consumed locally, if the long back-haul which wastes both money and transportation facilities is to be avoided. The same limitation applies to movement into the South, but with less force because the distances involved are shorter. If movement is to the South, advantage could be taken of the Federal barge lines on the Mississippi system. Traffic on these lines is now running much heavier northbound than southbound.

If beans are moved to a plant which has crushing facilities only, the problem arises of providing tank cars for movement of crude oil to points of further processing. Since the tank car situation is very tight, prudent use of our resources would indicate that crushing should be done either in places with excess storage capacity which can accomodate dead storage for a considerable period or near plants manufacturing shortening or margarine which can be transported North and East in boxcars if the products are sufficiently hydrogenated.

Storage capacity

The War Production Board and the Department of Agriculture have made a joint survey of all storage capacity which has been used for edible vegetable oils in the past. This survey indicates that for the country as a whole there is a small but probably adequate surplus over the peak requirements for storage which are expected to come in April, May and June of 1943. Region by region, the storage capacity presents a picture quite similar to that of crushing. Large idle capacity is present on the Atlantic Coast, the Texas-Mississippi Delta Region, and some on the Pacific Coast. Tank Storage capacity falls short of requirements at many interior points particularly in the central soybean crushing region.

Among the measures which could be taken to avoid regional storage congestion are the following:

- (1) Government stockpiles of dead storage could be located in regions which promise otherwise to have idle storage capacity throughout the year.
- (2) Movement of cottonseed and peanut oils could be held back in the South and permitted to flow into North Central regions only as needed for consumption.
- (3) Loading of oil in tank cars could be prohibited unless space was guaranteed for its immediate unloading at the point of destination.

The lard storage capacity in the past has taken care of greater quantities than are expected to remain in storage this year. It is expected that lard in excess of tank storage capacity in rendering plants will be tierced as has been the previous custom.

Although no estimates of requirements for increased storage of other chemicals including industrial alcohol are yet available, these commodities might be cared for by using idle petroleum storage capacity.

Transportation

It has been estimated that the peak movement of edible vegetable oils will require about 8,300 tank cars. This estimate is based upon an average of 2.0 round trips per car per month, compared with a rate of 1.8 trips per month - the highest rate of use which has been achieved recently.

Even if the oil movement were not greatly different geographically from that of last year, and even if locomotives were available for switching, spotting and pick-up of cars without delay, the 2.0 car turn-around per month represents an optimistic estimate of the degree of efficiency that can be attained. If any large quantities of oil as oil are to be moved long distances to idle storage facilities, the above estimate of tank car requirements might prove to be too low.

An estimate by the Office of Defense Transportation in October indicated that there were probably no more than 7,000 to 7,500 tank cars transporting edible vegetable oils, and the number may decline during the year. Taken in conjunction with the estimated peak requirement of 8,300 cars, this means that at least 800 to 1,300 more cars would be required to handle the peak movement.

In view of the current rate of flow of tank shipments of petroleum products to the East, it is questionable whether many of the edible oil tank cars now in petroleum service could be returned to the edible oil trade. Because of the necessity for cleaning which is both expensive and time consuming, it is not practicable to shift cars back and forth between petroleum products and edible oils for short periods.

Estimates of factory consumption of edible oils by States on which the estimates of transportation requirements are based, were made upon the assumption of a uniform consumption of 57 percent cottonseed oil, 30 percent soybean oil, and 13 percent peanut oil in each State. They do not take into account the effects on consumption of differences in the relative production of the various crude oils in the several States.

If the tank car situation should become really serious, an obvious but drastic remedy is available. This would be to specify the production of "Victory" brands of shortening and margarine. Such brands would not have a uniform formula throughout the country, but would rather involve the production of shortening and margarine at each plant from materials which could be hauled the shortest distance.

Prospects for 1943-44

Several elements of conflicting nature must be considered in the fats and oils picture for 1943-44. Completion of pipe lines will materially ease the tank car situation, but this improvement might be more than offset by increased exports of petroleum for war purposes. Increased output of alcohol and other liquid war chemicals also will be an important factor contributing to increased demand for tank car space. It is doubtful whether replacements and repairs will be sufficient to maintain the present number of tank cars in view of the wear and tear which must come from their present rate of use.

In many respects, however, the African campaign should operate to improve materially the fats and oil situation of the United Nations. Large quantities of peanuts and peanut oil which are known to have been going to Germany from West Africa will now be available for allied use. Allied control of the Mediterranean would mean that return loads of Egyptian and Indian cottonseed could again be sent to England for crushing. Fortunately, it appears that British crushing and edible oil storage capacity were little affected by bombing. Improvement in the shipping situation would make large quantities of South American oil seeds and oil available for allied use.

In order to minimize the drain on processing, storage and transportation facilities in 1943-44, increased production of oilseeds should as far as possible be in those areas of the South which now have idle manufacturing and storage capacity, or which may have such capacity as a result of reduction in cotton acreage.

CURRENT MARKETING AND TRANSPORTATION DEVELOPMENTS

Marketing of less essential winter vegetable crops

Less essential winter vegetables including cantaloups, cucumbers, cauliflower, eggplant, watermelons, bleached celery, head lettuce, green peppers, asparagus, and artichokes may become subject to marketing and transportation difficulties if facilities are needed for more essential products. The Department of Agriculture announced that it can not assist with production or marketing of these commodities, stating "If the transportation situation or supplies of packaging materials become so critical that priorities will have to be established, as may well be the case, the Department will recommend that the more essential crops be given a sufficiently high rating to be assured of receiving transportation and packaging materials, and that the less essential crop be rated sufficiently low so as to promote transportation and packaging materials for them only after provisions have been made for all the needs of the more essential crops". It was also announced that the Department would not undertake to furnish labor for the production of these crops, and that supplies of nitrogen fertilizer available for their production will be reduced greatly.

Packer squeeze relieved

A sharp reduction in the price of hogs has greatly lessened the squeeze on packers which resulted from ceiling prices on wholesale products and high livestock prices this summer and early fall. This reduction in the price of hogs resulted from a combination of circumstances, chief among which probably are the revision of pork price ceilings and the limitations on meat supplies going into regular trade channels. The new pork ceilings will put all processors on a more equal footing, with the result that no packer can outbid his competitors to an abnormal degree because of an extremely favorable price ceiling. The order limiting sales of meat by packers for civilian consumption has decreased the incentive of packers to bid up the price of livestock in order to obtain larger supplies of meat for their domestic trade.

Actual and anticipated heavier runs of hogs may also have played some part in the price drop, but the increase thus far has been offset by larger requirements and supplies are less than the demand at ceiling prices. The record spring-farrowed hog crop, estimated to be about 25 percent greater than in 1941, is not being marketed as early this fall as usual. Hog slaughter in October was only 1 percent greater than in October 1941. After the first week in November, marketings increased slightly and later moderately compared with the corresponding periods a year earlier. The hogs now being marketed weigh on the average from 5 to 10 pounds heavier than during the same period last year. Delayed marketings apparently are the result of a favorable hog-corn feeding ratio, the availability of an abundance of corn for feed, favorable prices for heavy hogs compared with those for lighter weights, and prospects for a continued active demand for pork and lard.

In spite of the summer squeeze on meat packers, inspection of trade journal reports fails to disclose any abnormal rate of failures in the meat packing business during 1942. Some packers have been able to partly make up for the abnormally small spread between the index value of hog products sold in normal channels and prices of live hogs by developing more profitable lines of business and by reducing costs through increased volume of business. Trade journal reports indicate that while some plants have gone out of business, others have come into the picture or have expanded their facilities considerably.

Orderly marketing of hogs

Secretary Wickard announced that to facilitate orderly marketing of hogs this winter, the Agricultural Marketing Administration will furnish a special Market News Service in the Corn Belt during the peak of hog marketing. Under authority of a War Production Board directive issued in October, the Department will be ready to order market embargoes if necessary and to require permits at any points where market gluts arise.

Curtailment of retail services planned

A retailers' economy plan was announced jointly November 17 by the Office of Price Administration and the Department of Commerce. Details of the plan will soon be announced. Briefly, the plan is designed to eliminate frills and special customer services in the interests of freeing manpower and conserving war necessities such as gasoline, rubber, and electricity. The plan is expected to relieve some of the pressure on the marketing system by reducing costs and maintaining ceiling prices at current levels.

Transcontinental all-cargo commercial air express service

Early this month the first purely all-cargo express service on a continent-wide basis was inaugurated by one major air line. This service links New York with the major Pacific coast cities via Salt Lake City in the movement of freight. Another airline is expected to begin a similar service in the near future.

The service will be separate from any military cargo operations now being performed. The planes will carry nothing but express, as contrasted with the usual practice of hauling passengers, mail, and air cargo in the same plane. The new undertaking calls for stripping the plane interiors, strengthening floors, and equipping the plane specifically to handle cargoes.

This move has become necessary to ease an acute shortage in air cargo express space, although it also has potentialities for the post-war period. The planes are well suited, for example, to carry dehydrated foods. The products can be flown from points of production to points of consumption in distant or overseas places with greater speed and less handling than is required by other means of transportation. The all-cargo plane also offers distinct possibilities in the movement of perishables of high value in proportion to weight and bulk.

Truck size and weight limits

Action is still pending on S. 2015, a bill introduced into the Senate about a year ago by Senator Wheeler to empower the Interstate Commerce Commission, upon complaint and after investigation, to prescribe specific size and weight limits on motor vehicles.

During the year, some of the states have substantially modified their highly restrictive policies on truck sizes and weights. Kentucky has increased gross weights from 18,000 pounds to 28,000 pounds and maximum lengths of tractor semi-trailers to 33 feet for the duration of the war upon designated highways. Virginia has authorized the State Highway Commission to increase maximum axle weight to 18,000 pounds and maximum gross weight to 40,000 pounds on roads found to be capable of carrying such increased weights. Other states which have liberalized their size and weight laws and regulations include Louisiana, New Jersey, and Rhode Island. These measures will aid in the successful prosecution of the war by removing or reducing barriers to interstate commerce.

Merchandise freight pooling

The first merchandise freight pooling action under terms of General Order No. 1 was authorized by the Office of Defense Transportation on November 16, 1942. Four railroads operating between Memphis and Jacksonville are allowed to pool traffic and alternate their services.

FARM-RETAIL PRICE SPREADS, OCTOBER 1942

Marketing charges between farm producers and city consumers amounted to \$190 on an annual family food basket in mid-October, rising 1 percent from September.

These higher marketing charges accompanied a sharp increase in retail cost of foods produced on American farms. Cost of the family basket of foods at retail was \$414 in mid-October, increasing more than 2 percent from the preceding month. The rise exceeded any previous month-to-month advance during 1942, and brought retail food prices practically to 1929 levels.

Payments to farmers for food products contained in the family food basket were \$224 in October, up 3 percent from payments of \$217 in September. Of the \$9 rise in retail food costs, higher marketing charges absorbed \$2 while \$7 was passed back to farmers.

The farmer's share of the retail food dollar held at 54 cents for the third consecutive month.

Price changes by commodities

Higher retail food costs in October resulted principally from sharp price advances over September in fresh and dried fruits and vegetables, dairy products, and eggs. Most of these items were not subject to price regulation before October 5.

Prices paid to farmers for food rose in line with increased prices at retail. Prices paid producers of truck crops rose 18 percent from September to October. Price increases at the farm amounted to 6 percent for dairy products (2 percent above the normal seasonal rise), 4 percent for chickens and eggs (less than the normal seasonal increase), and a contra-seasonal advance of 3 percent for meat animals. Prices of grains declined.

Retail prices of beef and pork products rose by negligible amounts, with more substantial increases in farm prices and a narrowing of the marketing margin from September to October. Dairy product prices advanced 3 percent at retail and 6 percent at the farm, with a slight decline in the margin. Prices of lamb products and of hens dropped slightly, both at the farm and at retail levels.

Marketing margins were 30 percent below pre-war levels for pork products and below normal for beef and lamb products. The spread between composite prices of major carcass meat products at retail and equivalent payments to farmers adjusted for by-product values, shows marketing margins are below the 1935-39 pre-war level for pork and beef, but are higher than pre-war for lamb. In October the marketing margin per pound of major pork products was 7.9 cents compared to an average of 8.4 cents for the first 9 months of 1942, 9.2 cents in 1941, and a 1935-39 average of 11.3 cents. For beef products the margin per pound at retail was 11.9 cents in October, compared with 13.5 cents a year earlier and a pre-war 1935-39 average of 13.7 cents.

The margin on edible lamb products at 15.5 cents per retail pound in October was 4 percent higher than in September, reaching the highest level in several years, and exceeding the 1935-39 average by more than 10 percent. However, margins on both beef and lamb are below "normal" defined in terms of 1935-39 margins and current higher price levels, with lamb margins only slightly sub-normal as compared with beef.

The marketing margin for sweet potatoes, which has been abnormally high, declined substantially into October. Margins on oranges and potatoes rose sharply.

Developments in retail markets and in margins of middlemen were affected by recent specific orders of the Office of Price Administration extending price controls over food products and relieving the squeeze upon certain processors and middlemen.

Sharpest 1942 retail food rise coincides with OPA ceiling extension

A large share of domestic food products were excepted by the Office of Price Administration from maximum price control under the General Maximum Price Regulation of last May. The exceptions were compulsory under terms of Section 3 of the

original Price Control Act which prohibited ceilings that would reflect to farmers prices below the highest of four specified levels: (1) 110 percent of parity; (2) August 1919 to July 1929 average price; (3) October 1 market price; and (4) December 15 market price. The amending of the Act as completed by Congress on October 2 replaced these four exemption levels by two others, requiring now that no maximum price may be established below a price which will reflect to producers the higher of (1) parity price, and (2) the highest price received by producers between January 1 and September 15, 1942.

The new statutory maximum price exemption levels for farm products provided a basis for the Office of Price Administration to extend maximum price control to nearly all important farm food products except highly seasonal fresh fruits and vegetables. The new maximum prices were announced October 3, effective October 5, covering dairy products (except fluid milk and cream and ice cream, already covered under the General Maximum Price Regulation), poultry, mutton, white potatoes, onions, dried beans, peas, and lentils, fresh and processed citrus products, flour, and a number of other cereal products not previously under regulation. The temporary maximum prices were established as the highest charged by individual dealers during the 5 days from September 28 through October 3.

The extension of the price freeze became effective too late to retard retail price advances from mid-September to mid-October. The average level of all retail food prices rose 2.4 percent during the month, prices of items controlled under the October order advancing 5.6 percent and prices of foods still uncontrolled rising 5.9 percent, while prices of foods previously controlled rose only 0.2 percent.

OPA acts to relieve squeeze on margins of middlemen

On October 10 the Office of Price Administration issued orders allowing wholesalers and retailers to take specified percentage mark-ups on recent invoice cost instead of the individual dealer's maximum prices for a selected list of grocery items. Items covered include breakfast cereals, canned fish, cooking and salad oils, sugar, canned vegetables, coffee, rice, and hydrogenated and other shortening except lard. For these items, the choice between utilizing the new mark-ups or maintaining existing maximum prices rests with the individual dealer. For dried fruits and lard, however, the new percentage mark-ups are compulsory. Mark-ups are graduated by type of dealer and amount of service rendered, and are set somewhat lower than a normal level to afford relief in extreme cases but to avoid protecting high cost distribution.

In further moves to alleviate pressure upon distributors, the Office of Price Administration on November 7 issued formulas for permanent maximum price structure for white potatoes, onions, and turkeys, replacing the temporary maximum prices prevailing since October 5. These specify dollar and cents ceiling prices for country shippers incorporating grade, seasonal, and location differentials, and define percentage mark-ups over net cost for distributors further along the marketing process, graduated by type of distributor.

Prices paid farmers on October 15 for a number of important food products were below the new exemption levels previously described. If prices of farm food products below exemption levels were to rise to those levels, payments to farmers for items in the family food basket would increase by nearly 7 percent. Allowing for a normal rise in margins, this would mean an increase in the cost to consumers of domestic food products amounting to about $4\frac{1}{2}$ percent.

Table 2.- Annual family purchases of 58 foods 1/

Year and month	: Cost to : retail : Dollars	: Paid to : farmers : Dollars	: Marketing : : margin : : Dollars	: Farmer's share : of retail value : Percent
1913-15 (average).....	256	135	121	53
1920	514	272	242	53
1929	415	195	220	47
1935-39 (average).....	332	141	191	42
1940	314	132	182	42
1941	342	164	173	48
1941 - Aug.....	348	172	176	49
Sept.....	357	181	176	51
Oct.....	361	180	181	50
Nov.....	365	182	183	50
Dec.....	366	189	177	52
1942 - Jan.....	378	194	184	51
Feb.....	381	195	186	51
Mar.....	384	196	186	51
Apr.....	386	201	185	52
May.....	392	202	190	52
June.....	398	204	194	51
July.....	401	209	192	52
Aug.....	402	216	186	54
Sept.....	405	217	188	54
Oct.....	414	224	190	54

1/ Important food products produced by American farmers combined in quantities representing annual purchase by a typical workingman's family.
Retail price averages for 51 cities from U. S. Bureau of Labor Statistics.

Table 3.- Nonfarm family income and cost of family food
purchases for selected periods 1/

Year and month	: Family : : income : : 2/ : : Dollars	: Retail cost : : of all : : foods : : Dollars	: Retail cost : : of 58 : : foods : : Dollars	: Food cost as percentage : of income : All foods : : Percent	: 58 foods : Percent
1920	1,857	688	514	37	28
1929	1,979	540	415	27	21
1933	1,105	343	264	31	24
1935-39 average :	1,506	408	332	27	22
1941.....	1,956	430	342	22	17
1942 - June	2,303	502	398	22	17
July	2,339	508	401	22	17
Aug.....	2,358	514	402	22	17
Sept.....	2,373	516	405	22	17

1/ For sources of material used in this table see "Farm-Retail Price Spreads, December 1941, p. 5"(Note at foot of table.)

2/ New series.

Table 4.- Price spreads between the farmer and the consumer - food products, October 1942

Retail commodity	Table No.	Retail		Farm equivalent		Farm	
		Unit	Price	Quantity	Value	Actual margin	value as percent- age of retail price
			Cents		Cents	Cents	Percent
Pork products	11	1 lb. prin. pork products	30.0	1.90 lb. live hog	26.8	3.2	89
Dairy products	12	100 lb. milk equivalent	424.5	100 lb. milk equivalent	2/228.2	196.3	54
Hens	13	1 lb.	42.4	1.11 lb.	21.6	20.8	51
Eggs	14	1 doz.	58.5	1 doz.	37.4	21.1	64
White flour	15	1 lb.	5.5	1.41 lb. wheat	2.4	3.1	44
White bread	16	1 lb.	8.6	.97 lb. wheat	1.7	6.9	20
Corn meal	17	1 lb.	5.1	1.5 lb. corn	2.1	3.0	41
Rolled oats	18	1 lb.	8.7	1.78 lb. oats	2.4	6.3	28
Corn flakes	19	8-oz. pkg.	7.0	1.275 lb. corn	1.8	5.2	26
Wheat cereal	20	28-oz. pkg.	24.0	2.065 lb. wheat	3.6	20.4	15
Rice	21	1 lb.	12.5	1.51 lb. rough rice	4.7	7.8	38
Navy beans	22	1 lb.	9.2	1 lb. dry beans	5.0	4.2	54
Oranges	24	1 doz.	44.5	1/17 box	14.5	30.0	33
Potatoes	25	1 lb.	3.4	1 lb.	1.7	1.7	50
Apples	35	1 lb.	6.2	1 lb.	2.4	3.8	39
Lamb products	37	1 lb. prin. lamb cuts	35.2	2.16 lb. live lamb	25.6	9.6	73
Sweet potatoes	38	1 lb.	5.6	1 lb.	2.0	3.6	36
Rye bread	39	1 lb.	9.2	.39 lb. rye & .64 lb. wheat	1.5	7.7	16
Whole wh. bread	40	1 lb.	10.0	.92 lb. wheat	1.6	8.4	16
Macaroni	41	1 lb.	14.1	1.72 lb. durum wheat	2.7	11.4	19
Soda crackers	42	1 lb.	16.6	1.085 lb. wheat	1.9	14.7	11
Peanut butter	44	1 lb.	28.2	1.73 lb. peanuts	10.0	18.2	35
58 foods combined	8	Annual family consumption	\$41.1	Annual family consumption	\$22.4	\$19.0	54

1/ Table numbers refer to numbering in original 1936 report and annual supplements entitled "Price Spreads Between the Farmer and the Consumer".

2/ Preliminary.

Retail prices from the United States Bureau of Labor Statistics.

Table 5 .- Price spreads between the farmer and the consumer - for products, retail price and farm values

Commodity	Retail unit	Retail price				Percentage				Farm value				Percentage			
		Oct. : 1942		Sept. : 1942		Oct. : 1941		Sept. : 1941		Oct. : 1942		Sept. : 1942		Oct. : 1941		Sept. : 1941	
		Cents	Cents	Cents	Cents	Cents	Percent	Percent	Percent	Cents	Cents	Cents	Cents	Cents	Percent	Percent	Percent
Pork products	1 lb. prin. pork	25.3	26.3	29.9	30.0	14	1/	1.90 lb. live hog	15.7	19.2	25.8	26.8	40	15.7	19.2	25.8	40
Dairy products	100 lb. milk equiv.	324.0	386.2	413.6	424.5	10	3	100 lb. milk equiv.	146.0	198.8	2/216.1	228.2	15	146.0	198.8	2/228.2	15
Eggs	1 lb.	31.7	32.4	42.5	42.4	31	1/	1.11 lb.	16.5	17.8	22.5	21.6	21	16.5	17.8	22.5	21
	1 doz.	36.0	48.7	55.2	58.5	20	6	1 doz.	21.7	31.8	34.7	37.4	18	21.7	31.8	34.7	18
White flour	1 lb.	4.5	4.8	5.4	5.5	15	2	1.41 lb. wheat	2.0	2.1	2.4	2.4	14	2.0	2.1	2.4	14
White bread	1 lb.	8.2	8.6	8.6	8.6	0	0	1.97 lb. wheat	1.3	1.5	1.7	1.7	13	1.3	1.5	1.7	13
Corn meal	1 lb.	5.0	4.4	5.0	5.1	16	2	1.5 lb. corn	1.8	1.7	2.2	2.1	24	1.8	1.7	2.2	24
Roller oats	1 lb.	7.4	7.4	8.7	8.7	18	0	1.78 lb. oats	1.9	2.2	2.4	2.4	9	1.9	2.2	2.4	9
Corn flakes	8-oz. pkg.	7.8	7.1	7.0	7.0	-	1	1.275 lb. corn	1.6	1.5	1.9	1.8	20	1.6	1.5	1.9	20
Wheat cereal	28-oz. pkg.	24.3	23.6	23.9	24.0	2	1/	2.065 lb. wheat	2.9	3.1	3.5	3.6	16	2.9	3.1	3.5	16
Rice	1 lb.	8.2	9.1	12.5	12.5	37	0	1.51 lb. rough rice	2.5	3.2	5.2	4.7	47	2.5	3.2	5.2	47
Navy beans	1 lb.	6.9	8.1	9.1	9.2	14	1	1 lb. dry beans	3.5	4.4	4.8	5.0	14	3.5	4.4	4.8	14
Oranges	1 doz.	31.5	37.5	39.1	44.5	19	14	1/17 box	9.3	14.4	12.9	14.7	1	9.3	14.4	12.9	1
Potatoes	1 lb.	2.5	2.3	3.2	3.4	48	6	1 lb.	1.2	1.1	1.3	1.7	55	1.2	1.1	1.3	55
Apples	1 lb.	5.5	4.9	6.2	6.2	27	0	1 lb.	1.9	1.8	2.5	2.4	33	1.9	1.8	2.5	33
Lamb products	1 lb. prin. lamb	27.2	29.3	35.4	35.2	20	-	2.16 lb. live lamb	16.2	21.2	25.7	25.6	21	16.2	21.2	25.7	21
Sweet potatoes	1 lb.	4.4	4.3	6.4	5.6	30	-	1 lb.	1.5	1.6	2.2	2.0	25	1.5	1.6	2.2	25
Rye bread	1 lb.	9.1	9.1	9.2	9.2	1	0	.39 lb. rye and	1.3	1.3	1.5	1.5	15	1.3	1.3	1.5	15
Whole wheat bread	1 lb.	9.3	9.8	9.9	10.0	2	1	.64 lb. wheat	1.3	1.4	1.6	1.6	14	1.3	1.4	1.6	14
Macaroni	1 lb.	15.0	14.0	14.1	14.1	1	0	1.72 lb. durum wh.	2.3	2.3	2.7	2.7	17	2.3	2.3	2.7	17
Soda crackers	1 lb.	16.9	15.2	16.6	16.6	9	0	1.085 lb. wheat	1.5	1.6	1.9	1.9	19	1.5	1.6	1.9	19
Peanut butter	1 lb.	19.3	19.3	27.8	28.2	46	1	1.73 lb. peanuts	6.1	7.6	9.8	10.0	32	6.1	7.6	9.8	32
58 foods	Annual family	332	361	405	414	15	2	Annual family	141	180	217	224	24	141	180	217	24
combined	consumption	332	361	405	414	15	2	consumption	141	180	217	224	24	141	180	217	24

Retail prices are 51-city averages as published by the United States Bureau of Labor Statistics. - Farm values are calculated from U. S. average farm price.

1/ Less than 0.5 percent.

2/ Revised.

3/ Preliminary

Table 6 .- Price spreads between the farmer and the consumer - food products, margins and farm value as a percentage of retail price

[illegible]

Table 7.- Farm products: Indexes of prices at several levels of marketing, 1935-39 = 100

Year and month	Cost	Foods			Fibers			Whole-		
	of living	Retail	of prices	Whole-	Farm	Retail	sale	prices	prices	prices
	of city	of all	sale	prices	of 58	of	of	cotton	all	of
	fa-	foods	foods	cloth-	textile	and	farm	pro-	ducts	farmers
	milies			ing	pro-	wool	pro-	ducts		
	1/	1/	2/	3/	1/	ducts	4/	ducts	3/	3/
						2/		2/		
1913	71	80	81	95	69	81	111	94	95	81
1914	72	82	82	97	70	77	97	94	95	80
1916	78	91	96	110	78	99	131	111	111	100
1918	108	134	151	174	128	193	281	195	190	141
1920	143	169	174	193	201	232	282	198	199	162
1929	122	132	126	138	115	127	167	138	137	123
1932	98	86	77	62	91	77	55	63	61	86
1935	98	100	106	98	97	100	109	104	102	100
1936	99	101	104	108	98	101	114	106	107	100
1937	103	105	108	113	103	107	111	114	114	105
1938	101	98	93	92	102	94	81	90	89	98
1939	99	95	89	89	100	98	85	86	88	97
1940	100	97	90	94	102	104	97	89	92	99
1941	105	105	105	116	106	119	131	108	115	105
1939 -										
Aug.		94	85	85		96	85	80	83	96
Sept.	101	98	95	95	100	101	91	90	92	98
1940 -										
Jan.		95	91	94		110	101	91	93	98
Mar.	100	96	89	91	102	104	99	89	91	99
July		97	89	91		102	96	88	89	98
1941 -										
Aug.	106	108	110	122	107	124	149	115	123	107
Sept.	108	111	113	128	111	126	168	120	131	109
Oct.	109	112	112	128	113	128	160	118	131	112
Nov.	110	113	113	130	114	128	154	119	127	113
Dec.	110	113	114	134	115	129	157	125	135	115
1942 -										
Jan.	112	116	119	138	116	132	164	133	140	117
Feb.	113	117	120	138	119	134	171	133	137	118
Mar.	114	119	122	139	124	136	174	135	137	121
Apr.	115	120	125	143	126	138	183	138	141	121
May	116	122	125	143	126	138	184	137	143	122
June	116	123	126	145	125	137	176	137	143	122
July	117	125	125	148	125	137	178	139	142	122
Aug.	118	126	127	153	125	137	174	140	152	122
Sept.	118	127	5/130	5/154	126	137	179	5/142	151	123
Oct.	119	130	6/131	6/159	126	6/137	181	6/143	156	124

1/ From "Changes in Cost of Living" Bureau of Labor Statistics. 2/ Calculated from figures of the Bureau of Labor Statistics. 3/ Based on figures published by the United States Department of Agriculture. 4/ Cotton and wool prices weighted by production in the period 1935-39. 5/ Revised. 6/ Preliminary estimate.

Table g.—Indexes of food costs, consumer income and of charges and hourly earnings in marketing, 1935-39 = 100

Year and month	Non- Retail:agricultural: cost: income of 58: payments foods: 1/	Monthly earnings : per employed: factory : worker 2/	Payments:Marketing: to : margin of : 58 foods : 3/	Hourly earnings in marketing enterprises Class I : steam : Food : railways:processing:marketing: 4/ 5/	Cotton 4/
1929	125	118	115	93	-
1935-39 average	100	100	100	100	100
1940	95	111	95	105	106
1941	103	131	116	106	119
1941 - Jan	96	120	102	106	108
Aug.	105	135	122	103	124
Sept.	108	139	128	104	124
Oct.	109	140	128	103	130
Nov.	110	144	130	106	130
Dec.	110	143	134	119	130
1942 - Jan.	114	150	138	119	131
Feb.	115	149	138	122	131
Mar.	116	149	139	119	132
Apr.	116	153	143	118	132
May	118	160	143	118	136
June	120	6/164	145	117	136
July	121	6/167	148	117	137
Aug.	121	6/168	153	117	141
Sept.	122	7/169	154	117	
Oct.	125	-	159	100	

1/ United States Department of Commerce estimates. Adjusted for seasonal variation. New series.

2/ Prepared in the Bureau of Agricultural Economics from data of the U. S. Bureau of Labor Statistics, adjusted for seasonal variation.

3/ Compiled from data published by the Interstate Commerce Commission.

United States Bureau of Labor Statistics.

5/ Weighted composite of earnings in steam railways, food processing, wholesaling, and retailing.
6/ Revised.

Preliminary estimates.

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